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MASSACHUSETTS STATE AGENCY FOR SURPLUS PROPERTY

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INFORMATION BULLETIN AND GUIDE

COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE
DEPARTMENT OF PROCUREMENT AND GENERAL SERVICES

923/71

COMMONWEALTH OF MASSACHUSETTS
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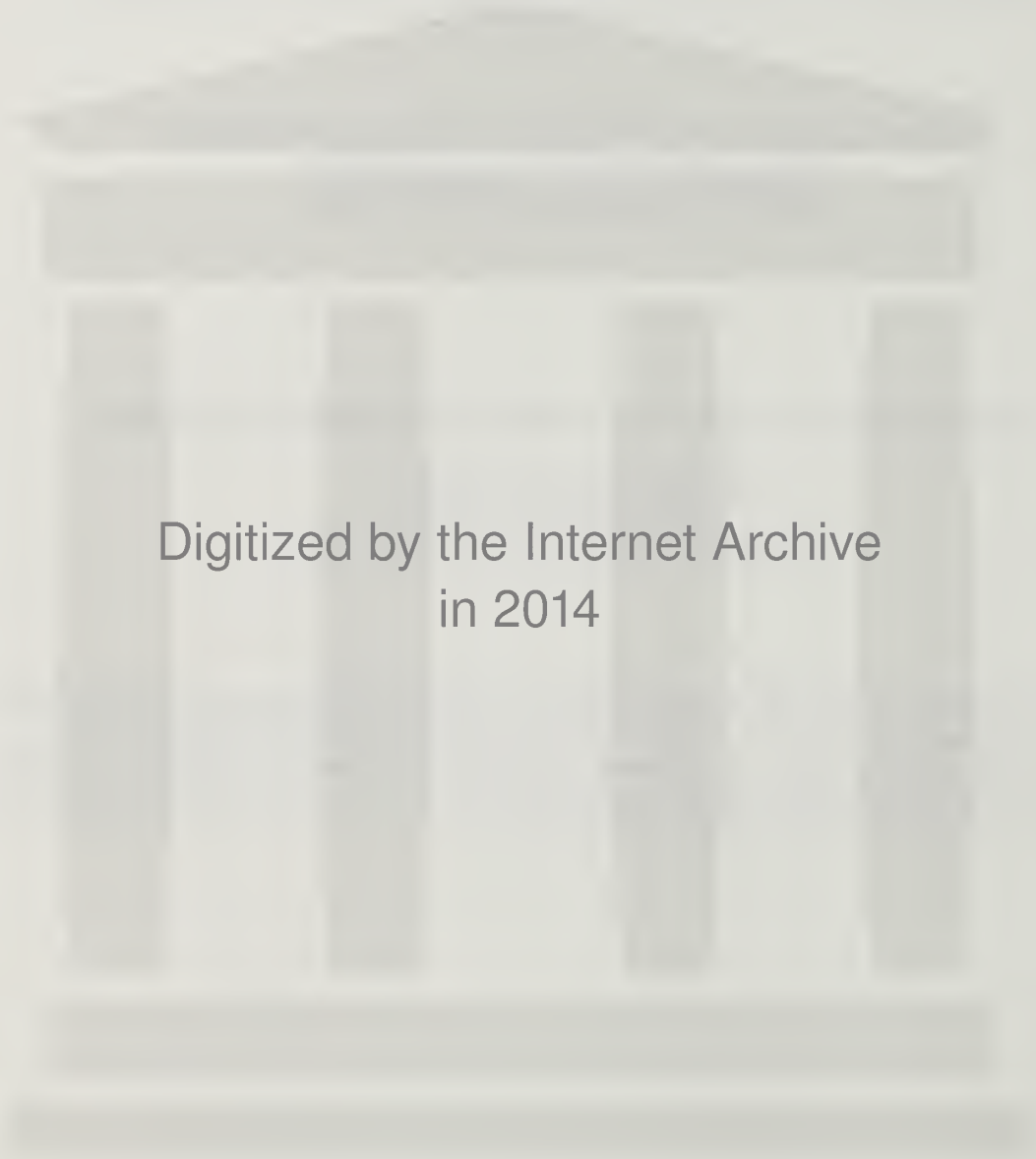
MASSACHUSETTS FEDERAL SURPLUS PROPERTY PROGRAM

INFORMATION BULLETIN AND GUIDE TO THE SURPLUS PROPERTY PROGRAM

The Executive Office for Administration and Finance insures equal employment / educational opportunities / affirmative action regardless of race, color, creed, national origin or sex, in compliance with Title VI of the Civil Rights Act of 1964, and Title IX of the Education Amendments of 1972, or handicap in compliance with Section 504 of the Rehabilitation Act of 1973.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THE COMMONWEALTH OF MASSACHUSETTS

1984 ACTS AND RESOLVES

MICHAEL JOSEPH CONNOLLY, SECRETARY OF STATE

Chap. 449

AN ACT AUTHORIZING THE ADOPTION OF A PERMANENT STATE PLAN OF OPERATION FOR THE FEDERAL SURPLUS PROPERTY PROGRAM.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to immmediately authorize the adoption of a permanent state plan of operation for the federal surplus property program, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted, etc., as follows:

The Purchasing Agent's Division rules and regulations as promulgated and referred to as the state plan of operation for the State Agency for Surplus Federal Property shall be the commonwealth's permanent plan as contemplated by section 203(j)(4)(A) of the Federal Property and Administrative Services Act of 1949, as amended by section 1(1) of Public Law 94-519. Said plan shall be administered by the Purchasing Agent's Division.

Approved January 2, 1985.

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INTRODUCTION

Agencies and Departments of the Federal Government often find that they hold custody of more personal property, both new and used, than they require to carry out their program. This situation may occur because of a change in their programs, requirements, a reduction in their operations, or rapid changes in the design of supplies and equipment required in the effective operation of their service. Under normal operations, property may reach a condition where normal everyday "wear and tear" would necessitate replacement of the property in regular operations. For these reasons and literally many more, the Federal Government is faced with the problem of disposing of this personal property.

Congress, as early as 1919, was aware of this problem and in order to allow as effective utilization of this property as possible for the public benefit, enacted legislation allowing for the transfer to educational institutions.

The purpose of this bulletin is to outline the operation of the Massachusetts State Agency for Federal Surplus Property in connection with the transfer of government surplus personal property to the eligible units in the state.

I. LEGAL AUTHORIZATION

A. Federal Law

Public Law 94-519 Effective October 17, 1977, the Federal Property and Administrative Services Act of 1949, as amended, by P.L.99-386, Section 207 established the General Services Administration, and assigned to the administrator the responsibility for the acquisition, utilization, and disposal of all personal property of the federal government.

Section 203-J-3, of the Act states that the administrator shall, pursuant to criteria which are based upon need and utilization and established after such consultation with state agencies as is feasible, allocate such property among the states in a fair and equitable basis (taking into account the condition of the property as well as the original acquisition cost thereof) and transfer to the state agency property selected by it for distribution through donation within the state.

a. To any public agency for use in carrying out or promoting for the residents of a given political area one or more public purposes, such as conservation, economic development, education, parks and recreation, public health, and public safety; or

b. To non-profit educational or public health institutions or organizations, such as medical institutions, hospitals, clinics, health centers, schools, colleges, universities, schools for the mentally retarded, schools for the physically handicapped, child care centers, radio and television stations licensed by the Federal Communications Commission as educational, radio or television stations, museums attended by the public,, and libraries serving free all residents of a community, district, state or region, which are exempt from taxation under Section 501 of the Internal Revenue Code of 1954 for purposes of education or public health (including research for any such purpose), and homeless shelters.

The administrator, in allocating and transferring property under this paragraph, shall give fair consideration, consistent with the established criteria, to expressions of need and interest on the part of public agencies and other institutions within that state and shall give special consideration to requests by eligible recipients, transmitted through the state agency, for specific items of property.

B. State Law

Chapter 808, Section 21A, approved January 18, 1982, M.G.L. Ch. 7, Section 4L. State agency for surplus property; duties:

There is hereby established in the Executive Office of Administration and Finance a state agency for surplus property, authorized to acquire, warehouse, allocate and distribute surplus government property to tax supported and to non-profit institutions and others, eligible to acquire property in accordance with terms and conditions of the Federal Property and Administrative Services Act of nineteen hundred and forty-nine, and all other acts authorizing the distribution of surplus government property and in accordance with the provisions of an approved state plan, and to execute agreements as required by the Federal Government. Said office shall employ and assign such supervisory and clerical persons as may be necessary to carry out the provisions of this section. Added by St.1981, c. 808, section 21A.

II. PROCEDURE FOR ESTABLISHING ELIGIBILITY

To be eligible to receive surplus government property, the applicant must submit to the Massachusetts State Agency for Federal Surplus Property the following material:

A. Application, Certification, and Agreement Form (in duplicate) signed by the Chief Executive Officer accepting the Terms and Conditions under which the property will be transferred.
B. Designation of Representatives Form naming one or more representatives to act for the applicant, obligate any necessary funds, and execute issue sheets.
C. Assurance of Compliance Form signed by Chief Executive Officer accepting the conditions on Civil Rights and Nondiscrimination on the basis of sex, or handicap.
D. A Directory Information Form including legal name and address of applicant, telephone number(s), applicant's status as a public agency or non-profit tax-exempt educational or public health unit under Section 501 of the Internal Revenue Code, and names(s) of liaison agent(s) to deal with the State Agency.
E. Details and scope of their programs including listing of the various departments divisions, etc., their activities and functions.
F. A listing as to the types and kinds of equipment, vehicles, machines, etc. or other items they need and can use.
G. Any financial information available to help the state agency to determine relative needs and resources.
H. Proof of their tax-exemption, approval or accreditation (for non-profit tax-exempt units only).

III. DEFINITIONS

Accredited - means approval by a recognized accrediting board or association on a regional, state, or national level, such as a state Board of Education, or Health, the American Hospital Association, a regional or national accrediting association for universities, colleges, or secondary schools, or other recognized accrediting association.

Approved - means recognition and approval by the State Department of Education, State Department of Health, or other appropriate authority. With respect to an educational institution, approval must relate to academic or instructional standards. An educational institution may be considered as approved if its credits are accepted by accredited or state approved institutions, or if it meets the academic or instructional standards prescribed for public schools in the state.

Child-Care Center - means a public or non-profit facility where day care services, such as educational, social, health and nutritional services, are provided to children through age 14, and which is approved or licensed by the state or other appropriate authority.

Clinic - means an approved public or non-profit facility organized and operated for the primary purpose of providing outpatient public health services and includes customary related services such as laboratories and treatment rooms.

College - means an approved or accredited public or non-profit institution of higher learning offering organized study courses and credits leading to a baccalaureate or higher degree.

Conservation - means a program or programs carried out or promoted by a public agency for public purposes involving directly or indirectly the protection, maintenance, development, and restoration of the natural resources of a given political area. Such resources include, but are not limited to, the air, land, forests, water, rivers, streams, lakes and ponds, minerals, animals, fish, and other wildlife.

Drug or Alcohol Clinic - means a clinic or medical institution which provides for the diagnosis, treatment, and rehabilitation of alcoholics and drug addicts with available professional medical staff on a regular visiting basis.

Economic Development - means a program or programs carried out or promoted by a public agency for public purposes which involve, directly or indirectly, efforts to improve the opportunities of a given political area for the successful establishment or expansion of industrial, commercial, or agricultural plants or facilities, and which otherwise assist in the creation of long-term employment opportunities in the area, or primarily benefit the unemployed or those with low incomes.

Education - means a program or programs to develop and promote the training, general knowledge, or academic, technical and vocational skills, and cultural attainments of individuals in a community or other given political area. Such programs may be conducted by schools, including preschool activities and child care centers, colleges, universities, schools for the mentally retarded or physically handicapped, educational radio and television stations, libraries, and museums. Public educational programs may include public school systems and such supportive facilities as centralized administrative or service facilities.

Educational Institution - means an otherwise eligible public or non-profit institution, facility, entity, or organization conducting educational programs, including research for any such programs, such as a child care center, school, college, university, school for the mentally retarded, school for the physically handicapped, educational radio or television station, museum or library.

Educational Radio Station - means a radio station licensed by the Federal Communications Commission and operated exclusively for noncommercial educational purposes and which is public or non-profit and tax-exempt under Section 501 of the Internal Revenue Code of 1954.

Educational Television Station - means a television station licensed by the Federal Communications Commission and operated exclusively for noncommercial educational purposes and which is public or nonprofit and tax-exempt under Section 501 of the Internal Revenue Code of 1954.

Food Banks and Second Harvest Programs - means those programs which provide service to the elderly and needy.

Geriatric Centers - are public health institutions which furnish public health and medical services to the aged.

Health Center - means an approved public or nonprofit facility utilized by a health unit for the provision of public health services, including related facilities such as diagnostic and laboratory facilities and clinics.

Hospital - means an approved or accredited public or nonprofit institution providing public health services primarily for inpatient medical or surgical care of the sick and injured, and includes related facilities such as laboratories, out-patient departments, training facilities, and staff offices.

Library - means a public or nonprofit facility providing library services free to all residents of a community, district, state or region.

Medical Institution - means an otherwise eligible public or nonprofit institution, facility, entity, or organization which has for its primary function the furnishing of public health and medical services to the public at large or the promotion of public health through the conduct of research for any such purposes, experiments, training or demonstrations relating to causes, prevention, and methods of diagnosis and treatment of diseases and injuries. The term includes, but is not limited to, hospitals, clinics, alcoholic and drug abuse treatment centers, geriatric center laboratories, medical schools, dental schools, nursing schools, and similar institutions. The term does not include those institutions primarily engaged in domiciliary care although a separate medical facility within such a domiciliary institution may qualify as a "medical institution".

Motor Vehicle - means a conveyance, self-propelled or drawn by mechanical power designed to be principally operated on the streets and highways in the transportation of property or passengers.

Museum - means a public or nonprofit facility which is attended by the public free or at a nominal charge, and which provides museum services including the preservation and exhibition of artistic cultural, historical, or scientific objects.

Nondiscrimination - Title VI of the Civil Rights Act of 1964 provides that no person in the United States will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in any program or activity receiving federal financial assistance.

Title VI, Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, provides that no individual shall on the grounds of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving federal assistance under the Act.

Section 504 of the Rehabilitation Act of 1973 requires that no otherwise qualified handicapped persons shall solely by reason of their handicap be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Nonprofit Institution - means an educational or public health institution or organization, no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or individual, and which has been held to be tax-exempt under the provisions of Section 501 of the Internal Revenue Code of 1954.

Nursing Homes - are public health institutions providing skilled nursing care and related medical services to individuals admitted because of illness, disease, or physical or mental infirmity. A nursing home may be considered as qualifying as a public health institution if it is either:

(i) a nursing home operated in connection with a hospital;

(ii) a facility for long-term care of convalescents, chronic disease patients, or other persons who require skilled nursing care and related medical services, in which the nursing care and medical services are prescribed by, or are performed under the general direction of, persons licensed to practice medicine or surgery in the state; or

(iii) a nursing home certified to provide health services to medicaid or medicare patients under the provisions of the Social Security Act. Nursing homes which do not meet these requirements, or whose primary purpose is domiciliary care, will not be considered as qualifying as a public health institution.

Park and Recreation - means a program or programs carried out or promoted by a public agency for public purposes which involve directly or indirectly the acquisition, development, improvement, maintenance, and protection of park and recreational facilities for the residents of a given political area. Such facilities include, but are not limited to, parks, playgrounds and athletic fields, swimming pools, golf courses, nature facilities and nature trails.

Public Agency - means any state, political subdivision thereof, including any unit of local government or economic development district, or any departmental agency, instrumentality thereof, including instrumentalities created by compact or other agreement between states or political subdivisions, multijurisdictional substate districts established by or pursuant to state law, or any Indian tribe, band, group, pueblo, or community located on a state reservation.

Public Body - means any state, territory, or possession of the United States, any political subdivision thereof, the District of Columbia, the Commonwealth of Puerto Rico, any agency or instrumentality of any of the foregoing, any Indian tribe, or any agency of the Federal Government.

Public Health - means a program or programs to promote, maintain and conserve the public's health by providing health services to individuals and by the conduct of research, investigations, examination, training and demonstrations. Public health services may include, but are not limited to, the control of communicable diseases, immunization, maternal and child health programs, sanitary engineering, sewage treatment and disposal, sanitation inspection and supervision, water purification and distribution, air pollution control, garbage and trash disposal, and the control of an elimination of disease-carrying animals and insects.

Public Health Institution - means an otherwise eligible public or nonprofit institution, facility, entity or organization conducting a public health program(s) such as a hospital, clinic, health center, or medical institution, including research for any such program and whose services are available to the public at large.

Public Purpose - means a program(s) carried out by a public agency which is/are legally authorized in accordance with the laws of the state or political subdivision thereof, and for which public funds may be expended. Public purposes include, but are not limited to, programs such as conservation, economic development, education, parks and recreation, public health, and public safety.

Public Safety - means a program or programs carried out or promoted by a public agency for public purposes involving, directly or indirectly, the protection, safety, law enforcement activities, and criminal justice system of a given political area. Public safety programs may include but are not limited to those carried out by public police departments, sheriff's offices, the courts, penal and correctional institutions, including juvenile facilities, state and civil defense organizations, fire departments and rescue squads, including volunteer fire departments and rescue squads supported in whole or in part with public funds.

School (excepting schools for the mentally retarded and schools for the physically handicapped) - means a public or nonprofit approved or accredited organizational entity devoted primarily to approved academic, vocational, or professional study and instruction, which operates primarily for educational purposes on a full-time basis for a minimum school year, and employs a full-time staff of qualified instructors.

School for the Mentally Retarded - means a facility or institution operated primarily to provide specialized instruction to students of limited mental capacity. It must be public or nonprofit and operate on a full-time basis for the equivalent of a minimum school year prescribed for public school instruction of the mentally retarded, with a staff of qualified instructors, and demonstrate that the facility meets the health and safety standards of the state or local governmental body.

School for the Physically handicapped - means a school organized primarily to provide specialized instruction to students whose physical handicaps necessitate individual or group instruction. The school must be public or nonprofit and operate on a full time basis for the equivalent of a minimum school year prescribed for public school instruction for the physically handicapped, with a staff of qualified instructors, and demonstrate that the facility meets the health and safety standards of the state or local governmental body.

University - means public or nonprofit approved or accredited institution for instruction and study in the higher branches of learning and which is empowered to confer degrees in special departments or colleges.

IV. WHAT IS SURPLUS PROPERTY

Personal property which has been determined to be of no further use by federal agencies in the operation of their programs, including all types ranging from small items such as pins, tacks, diodes, resistors, etc., up to locomotives, planes, helicopters, vessels, etc. Exceptions are real estate (land and buildings), records of the federal government, and naval vessels classified as battleships, cruisers, aircraft carriers, destroyers, submarines, and merchant vessels of 1500 gross tons or more.

The Federal Supply Service has established 99 classes as listed in a Federal Surplus Property Classification Groups (see Exhibit I on the last two pages of this bulletin).

V. HOW THE SURPLUS PROPERTY PROGRAM OPERATES

When the General Services Administration determines that property is no longer needed by the Federal Government, it is declared "Surplus" and made available on a fair and equitable basis for transfer to the various state agencies or for distribution to eligible public agencies, or nonprofit, tax-exempt education and public health agencies in the state for use in their local programs.

The State Agency for Surplus Property has also been delegated the responsibility for locating, inspecting, selecting, making proper applications for property, arranging for pick up at the federal holding agency, transporting and warehousing when necessary, and accounting for all property transferred.

The agency field agents and other specialists have been designated by the General Services Administration as "Accredited Screeners" and in this capacity, visit government installations throughout the state and adjoining states, for the purpose of selecting property which in their opinion can be utilized by the eligible units in the state. In addition, they also review listings of surplus property available nationwide so as to be able to request the transfer of property to the state.

The fact that property may originally be located in Massachusetts does not preclude the change that the property may be allocated by G.S.A. for transfer to some other state. In some cases, property requested by the state may also be withdrawn for transfer to a federal agency.

Most property allocated to Massachusetts is picked up and moved in trailer load lots to the Surplus Property Warehouses on the grounds of the Paul A. Dever State School, Bay Road, Taunton, Ma. However, for certain items of property such as vehicles, generators, pumps, machines that usually require special handling, and small lots of miscellaneous property, we

usually try to arrange for direct pick up by the donee at the federal holding agency so as to keep the transfer cost at a minimum. When property is received at the warehouse, it is placed in a receiving area where it must be checked and identified, the necessary receiving records prepared, and tags prepared to identify the property. During this period the property is not available to any unit under any circumstances.

When the check-in is completed, a service charge is established on the individual items before the property is moved into the general warehouse and made available for inspection and selection by the properly delegated representatives of the eligible units.

The service charge assigned is the amount the applicant must pay to the State Agency for Federal Surplus Property to cover our cost for crating, handling, packing, shipping, warehousing, and administrative costs. Since the state does not appropriate funds to operate the program, all program expenses are paid from a Surplus Property Trust Fund in the State Treasury into which all service charges collected are deposited. In arriving at our service charge, we take into consideration such factors as: condition of property, size, weight, bulk, desirability, original government cost, amount of handling involved, freight costs, etc.

On Direct Pick Ups, when property is picked up by an eligible unit at a government holding agency, the service charge will be minimal depending on such costs involved such as locating, screening, allocating, follow-up, processing, and recording.

At the time of transfer, an Issue Sheet will be prepared in triplicate, and must be signed by the administrative head of each eligible unit or his officially designated representative. The signature on this Issue Sheet binds the governing body to the terms and conditions printed on the face and reverse side of the document.

Among these terms and conditions are:

1. Property acquired shall be on an "as is, where is" basis without warranty of any kind.
2. All property acquired will be usable and necessary for public purposes, educational or public health purposes in the state.
3. All property acquired will be put to use for the purpose for which it is acquired within one year from the date of acquisition, and used for one year or returned at no cost to the state agency or released to such persons as the state agency shall designate.
4. All passenger motor vehicles and any item of property having a government acquisition value of $5,000.00 or more, and any items of property having characteristics that require special handling or use limitations, must be used in an approved program for a period of from 18 months or as indicated on Issue Sheet as determined by the state agency or General Services Administration.
5. The applicant will not sell, trade, lease, lend, bail, encumber, or otherwise dispose of property, or remove it for use outside the state without the prior written approval of the state agency. In case of such disposal without written approval, the applicant, at the option of the state agency or the General Services Administration, shall be liable to the United States of America for the proceeds of the disposal or the property's fair market value as determined by the state agency.
6. Funds are available to pay for the costs of care and handling incident to the transfer, including packaging, preparation for shipment, loading, transportation, and warehousing of said property and any service charges assigned by the state agency.
7. All transfers shall be subject to the non-discrimination regulations governing the donation of surplus personal property under Title VI of the Civil Rights Act of 1964 and Title VI of P.L. 94-519, and Section 504, Rehabilitation Act of 1973.

8. The state agency may amend, modify, or grant release on any terms and conditions, reservations or restrictions, provided that the conditions pertinent to each situation have been affirmatively demonstrated to the prior satisfaction of the state agency.

In effect, all property transferred will be under state agency control until all terms and conditions imposed have been complied with in full.

VI. HOW TO OBTAIN SURPLUS PROPERTY

It is the policy of the state agency to conduct all our business with the chief executive or administrative officer of each eligible unit. However, we recommend that this administrative officer select a person or persons to be named as a liaison agent who is readily available to act for the eligible unit. This designation should be listed on the Directory Information Form and will remain in effect until changed by the local administrative officer.

The state agency has three separate systems for transferring property to eligible units:

A. Direct Pick Up at a Government Holding Agency

This usually involves such property as:

Class	15 Aircraft	Class	35 Service and Trade Equipment
	19 Ships and Vessels		37 Agricultural Machines
	22 Railway Equipment		38 Construction and Highway Equipment
	23 Motor Vehicles		39 Material Handling Equipment
	24 Tractors		42 Firefighting and Rescue Equipment
	28 Engines - turbines		43 Furnace and Steam Plants
	32 Woodworking Machines		54 Prefab. Structures
	34 Metal Working Machines		

This type of property must be requested in writing by eligible units, giving some justification as to relative need, relative resources, and ability to use in local programs.

Since the property is usually bulky and heavy, we usually arrange to have the eligible unit pick up the property directly at the government holding agency to keep the transfer or service charges made by the state agency to a minimum.

In some instances, we may also allow direct pick up involving other items when it is economically feasible, or the property involved is in small lots.

When property is available in the categories above, we will review the requests for property received by the agency and, based upon our judgement as to relative needs and resources as compared to other requests, notify the local donee as to the location of the property, arrange for you to inspect the property, and if acceptable to you, arrange with holding agency for the release of the property to your representative. You must remove the property as soon as possible after our release.

When pick up has been completed an Issue Sheet in triplicate will be sent to the administrative officer or liaison agent which must be signed acknowledging the receipt of the property and two copies returned to the state agency. You will also be billed by the agency for the service charges involved.

B. Freight Terminal Pick Up or Delivery

This usually involves relatively heavy machine tools, generators, pumps, or other property which, due to its size and weight, requires special handling or rigging to move and these services are not readily available at most local units.

Allocations are made by the state agency based upon the requests for this type of property received from eligible units with sufficient justification given on which we can determine relative needs, resources and ability to utilize. When equipment is received at the terminal, we will arrange with your liaison representative to inspect the equipment and, if it is acceptable for your use, have the option of having the equipment delivered to you or you can send your own truck to pick it up. When the transfer has been completed, we will send you an invoice covering the state agency's service charges and 3 copies of our issue sheet which must be signed acknowledging receipt and 2 copies returned to the State Agency.

C. Warehouse Visits

Our warehouses are located on the grounds of the Paul A. Dever State School, Bay Road, Taunton, Massachusetts.

A wide assortment of surplus property is handled at the warehouse with the exception of large, heavy, or bulky equipment usually handled in A or B above. Merchandise originating from Europe, as well as from continental United States, is assembled and displayed, ready for inspection and selection for use in your programs. Reasonable quantities of office furniture, electronics equipment and supplies, maintenance equipment, clothing, electrical supplies, controls and equipment, and similar items, are usually available. (See Exhibit I for a listing of the kinds and types of items handled by us over a period of time).

Eligible units in the state are encouraged to visit our warehouses at least five or six times a year, or more often, if they wish.

The person(s) authorized by the Governing Board of each local unit to obligate its funds and approve the transfer (subject to the terms and conditions listed on both sides of the Issue Sheet) must be present to sign the Issue Sheet. However, if local conditions do not allow his/her being present, the chief administrative officer may authorize some other person by giving him/her written authorization to select and sign for the property. This authorization must be presented to our warehouse staff before selecting any property.

You should register at the check-in desk at the warehouse, listing the names of all persons in your group. You will then be given a worksheet and a clipboard.

The warehouse is operated on a "stop and shop" basis, allowing you and your group to inspect all property on display. Merchandise selected can be physically moved from its location by placing it on a cart or wagon. List each item selected on your worksheet, being careful to copy from its tag or sign the name of the item, the state serial number, the quantity you selected, the government acquisition cost, and the service charge on each item.

Help in handling the property is available upon request from our warehouse supervisor.

Before leaving, all property selected must be brought to the checkout desk where an Issue Sheet will be prepared in triplicate. This must be signed by the properly delegated representative. You will be given one copy of the Issue Sheet for your local records.

You may now load the property on to your truck for removal. If you do not have a truck, we can arrange to hold the property for five days until you can send for it or make arrangements for delivery via a local common carrier.

At no time will cash or checks be accepted at the warehouse. Your local unit will be billed for the service charges due (as listed on the Issue Sheets) subsequent to the removal of the property by the state agency.

<u>All property is transferred on an "as is, where is" basis without warranty of any kind.</u>

Because we are responsible for effecting equitable distribution of surplus property among all eligible units, we reserve the right at all times to restrict quantities and types of merchandise in compliance with program use limitations. Decisions are based on the unit's relative need, resources, and ability to use the property.

Accurate records of the participation of each unit are maintained enabling us to determine periodically which units are not participating as actively as they should. When we determine that an eligible unit is not receiving its fair share of the property available, we usually try to encourage more active participation by:

1. A telephone call to the administrative officer to remind him/her that he should be making visits to the warehouse.
2. Mailing a list of the types of property available at the warehouse to the administrative officer, to encourage him/her to visit the warehouse to inspect and select property.

VII. <u>BASIC POLICY - STATE AGENCY FOR FEDERAL SURPLUS PROPERTY</u>

It is our policy to strengthen and encourage the development and expansion of public programs, educational and public health programs, by arranging for the acquisition and distribution of all available surplus property in such a manner as to accomplish as fair and equitable distribution as possible, based upon relative need and resources among the eligible units in the state, and to be assured thereafter of its maximum utilization for the purposes intended.

VIII. POLICY OF ALLOCATION

The state agency will arrange for a fair and equitable offering of available surplus property to the eligible units based upon their relative need, resources, and their ability to utilize the property in their programs.

Other factors to be taken in consideration will include:

A. Critical need due to such emergencies as fire, flood, etc.
B. Quantity and/or value of property received by the eligible unit to date.
C. Interest and expressions of need by units, in the property available.
D. Ability and willingness demonstrated by units to inspect, select, and remove property from the warehouse or federal holding agency.
E. Financial ability of unit to maintain satisfactory credit with the state agency as evidenced by the prompt payment of all transfer charges.
F. Per Capita Equalized Valuation, population, per pupil costs, bed load, numbers served per month, and such other factors as may be readily available.

IX. UTILIZATION AND COMPLIANCE REQUIREMENTS

Under existing federal law and regulations, the State Agency for Federal Surplus Property acquires surplus property under a certification that the property is needed and can be used for public purposes, educational and public health purposes, including research for any such purpose in Massachusetts.

When property is transferred to an eligible unit, a similar certification and certain other terms and conditions are imposed and accepted by the properly delegated representative of the eligible unit when he/she signs the Issue Sheet. Prominent among these are certain terms and conditions (listed below) that are imposed by the federal law and regulations and become the responsibility of the state agency to administer.

A. Property shall be used only for the public purpose, educational or public health purpose for which it is acquired and no other purpose.
B. All property acquired must be placed into use within one year from the date of acquisition and used for one year in an approved program.
C. All passenger motor vehicles and property having a government acquisition cost of $5,000 or more, must be used for a period of 18 months, or as indicated on the Issue Sheet.
D. Any item of property that has characteristics that require special handling or use limitations as imposed by the General Services Administration, must be used in accordance with the conditions listed on the Issue Sheet.
E. No surplus property may be sold, traded, leased, bailed, encumbered, or otherwise disposed of or removed from use outside the state, without prior written approval of the state agency. In the event of any such disposal, the local unit will be liable to the United States of America for the proceeds received from the disposal of, or for the fair market value of the property, as determined by the state agency.

A careful reading of the printed material on the face and reverse side of the Issue Sheet and/or Application, Certification, and Agreement Form is important for all administrators as the information given states clearly the legal requirements for use of government surplus property in their programs.

X. FIELD SERVICE - STATE AGENCY FOR FEDERAL SURPLUS PROPERTY

In addition to providing qualified screeners to visit federal activities generating surplus property, the personnel in the Field Service are required to make periodic visits to the eligible units in the state to review participation, and determine the effectiveness of the surplus property program.

These visits also serve to:

A. Encourage active participation.
B. Establish specific needs for property.
C. Review utilization of property to obtain examples of effective utilization.
D. Review utilization of passenger motor vehicles, and property having an acquisition cost of $5,000 or more.
E. List all property received and not placed into use within one year and used for one year, to arrange for retransfer or disposal instruction.
F. Obtain recommendations for more effective service by our agency.

Due to their nature, these visits are usually made by appointments arranged in advance with the local administrator or his designated liaison officer.

XI. HOW PROGRAM IS FINANCED

The State Agency for Federal Surplus Property is a self-sustaining agency which operates under a trust fund in the office of the State Treasurer.

All operating costs of the agency must be pro-rated to the participating public agencies, educational and public health agencies receiving property. In general, this pro-rated charge ranges from less than 1% to 10% of the value, depending on the size, weight, type and condition of the item and distance involved in transporting the item to the warehouse.

This pro-rated charge appears as a service charge on all items of property transferred.

Under existing procedures, all eligible units receiving property will be furnished with an Issue Sheet which lists property involved by item, quantity, government acquisition cost, and service charge. When property receipt has been acknowledged, all units are billed by the state agency in accordance with the service charges listed on the Issue Sheet.

We can only accept payments in the form of a check or money order payable to the "Commonwealth of Massachusetts".

All checks received are deposited with the State Treasurer to our Trust Account and all costs of operation of the program are paid by state check from this fund.

All charges made to participating units must be paid within a reasonable time. When an account is determined to be overdue and usual efforts of collection have been ineffective, the account is referred to the Attorney General's Office for collection.

Coincident with our action to collect payment on an overdue account will be the suspension of that unit's eligibility to receive surplus property. This suspension will be withdrawn when satisfactory arrangements have been made by the unit for payment of the past due account.

XII. REPORTS

From time to time we will request information from local administrators on the use of property and other pertinent program matters required by Congress or the federal agencies involved. These reports will be kept to a minimum and only requested when ncecessary.

CONCLUSION

We recommend very strongly that every public agency, educational and public health institution or organization keep the State Agency for Federal Surplus Property advised relative to its need for surplus property, and upon request, file such utilization reports as required to show proper and effective utilization of the property received. While we may not be able to fill all requests received due to the fact that the property is not available in federal surplus, we will do the best we can to obtain the property you request.

There are literally thousands of items available in usable condition which could be used very effectively in your programs. Our major aim is to make all property offered to us for transfer to our eligible units available to you for use in your everyday maintenance and operations. (See Index for listing of types of property).

Make the surplus property program your first source of supply. It is a good way of stretching your budget.

The Congress of the United States, in enacting the legislation authorizing this program, was of the opinion that greater utilization of federal surplus property would result in greater public benefit. Any reduction in your operating and maintenance costs can effect a savings to your overall programs and ultimately to the taxpayer in Massachusetts.

We encourage each eligible unit in the state to contact the State Agency for Federal Surplus Property at any time with regard to any concerns or questions relative to the program.

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE
DEPARTMENT OF PROCUREMENT AND GENERAL SERVICES
STATE AGENCY FOR FEDERAL SURPLUS PROPERTY
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Telephone: (617) 727-7500 ext. 241

STATE AGENCY FOR FEDERAL SURPLUS PROPERTY

Federal Surplus Personal Property
Classification Groups

Nomenclature

Group	
10	Weapons
11	Nuclear Ordinance
12	Fire Control Equipment
13	Ammunition and Explosives
14	Guided Missiles
15	Aircraft; and Airframe Structural Components
16	Aircraft Components and Accessories
17	Aircraft Launching, Landing, and Ground Handling Equipment
18	Space Vehicles
19	Ships, Small Craft, Pontoons, and Floating Docks
20	Ship and Marine Equipment
21	Unassigned
22	Railway Equipment
23	Motor Vehicles, Trailers, Cycles
24	Tractors
25	Vehicular Equipment Components
26	Tires and Tubes
27	Unassigned
28	Engines, Turbines, and Components
29	Engine Accessories
30	Mechanical Power Transmission Equipment
31	Bearings
32	Woodworking Machinery and Equipment
33	Deleted
34	Metalworking Machinery
35	Service and Trade Equipment
36	Special Industry Machinery
37	Agricultural Equipment and Machinery
38	Construction, Mining, Excavating, and Highway Maintenace Equipment
39	Materials Handling Equipment
40	Rope, Cable, Chain, and Fittings
41	Refrigeration and Air Conditioning Equipment
42	Fire Fighting, Rescue, and Safety Equipment
43	Pumps and Compressors
44	Furnace, Steam Plant, and Drying Equipment; and Nuclear Reactors
45	Plumbing, Heating, and Sanitation Equipment
46	Water Purification and Sewage Treatment Equipment
47	Pipe, Tubing, Hose, and Fittings
48	Valves
49	Maintenance and Repair Shop Equipment

50 Unassigned
51 Hand Tools
52 Measuring Tools
53 Hardware and Abrasives
54 Prefabricated Structures and Scaffolding
55 Lumber, Millwork, Plywood, and Veneer
56 Construction and Building Materials
57 Unassigned
58 Communication Equipment
59 Electrical and Electronic Equipment Components
60 Unassigned
61 Electric Wire, and Power and Distribution Equipment
62 Lighting Fixtures and Lamps
63 Alarm and Signal Systems
64 Unassigned
65 Medical, Dental, and Veterinary Equipment and Supplies
66 Instruments and Laboratory Equipment
67 Photographic Equipment
68 Chemicals and Chemical Products
69 Training Aids and Devices
70 Unassigned
71 Furniture
72 Household and Commercial Furnishings and Appliances
73 Food Preparation and Serving Equipment
74 Office Machines and Data Processing Equipment
75 Office Supplies and Devices
76 Books, Maps and Other Publications
77 Musical Instruments, Phonographs, and Home-Type Radios
78 Recreational and Athletic Equipment
79 Cleaning Equipment and Supplies
80 Brushes, Paints, Sealers, and Adhesives
81 Containers, Packaging, and Packing Supplies
82 Unassigned
83 Textiles, Leather, and Furs
84 Clothing and Individual Equipment
85 Toiletries
86 Unassigned
87 Agricultural Supplies
88 Live Animals
89 Subsistence
90 Unassigned
91 Fuels, Lubricants, Oils, and Waxes
92 Unassigned
93 Nonmetallic Fabricated Materials
94 Nonmetallic Crude Materials
95 Metal Bars, Sheets, and Shapes
96 Ores, Minerals, and Their Primary Products
97 Unassigned
98 Unassigned
99 Miscellaneous